



CALIFORNIA BOARD OF ACCOUNTANCY

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Availability of Modified Text

Related to October 2006 Regulation Notice Section 99. Substantial Relationship Criteria.

January 23, 2007

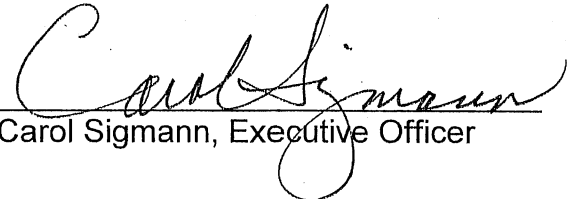
AVAILABILITY OF MODIFIED TEXT

NOTICE IS HEREBY GIVEN that the California Board of Accountancy has proposed modifications to the text of Section 99 in Title 16 Cal.Code Reg. which was the subject of a regulatory hearing on December 1, 2006. A copy of the modified text is enclosed. Any person who wishes to comment on the proposed modifications may do so by submitting written comments on or before February 16, 2007, to the following:

Aronna Wong, Regulations Coordinator
California Board of Accountancy
2000 Evergreen Street, Suite 250
Sacramento, CA 95815
E-Mail Address: awong@cba.ca.gov

DATED:

January 23, 2007


Carol Sigmann, Executive Officer

MODIFIED TEXT

Changes to the originally proposed text are shown in bold with strikeout for deleted text and double underline for added text.

Section 99. Substantial Relationship Criteria

For the purposes of denial, suspension, or revocation of a certificate or permit pursuant to Division 1.5 (commencing with Section 475) of the Business and Professions Code, a crime or act shall be considered to be substantially related to the qualifications, functions, or duties of a certified public accountant or public accountant if to a substantial degree it evidences present or potential unfitness of a certified public accountant or public accountant to perform the functions authorized by his or her certificate or permit in a manner consistent with the public health, safety, or welfare. Such crimes or acts shall include but not be limited to those involving the following:

- (a) ~~Fiscal dishonesty~~ Dishonesty, fraud, or breach of fiduciary responsibility of any kind;
- (b) Fraud or deceit in obtaining a certified public accountant's certificate or a public accountant's permit under Chapter 1, Division III of the Business and Professions Code;
- (c) ~~Dishonesty, fraud, or gross~~ Gross negligence in the practice of public accountancy or in the performance of bookkeeping operations described in Section 5052 of the code;
- (d) Any act or crime which evidences a present or potential risk to the safety or welfare of any client, potential client, co-worker, or any other person who may be encountered by the licensee in his or her professional capacity.**

(d) ~~(e)~~ (d) Violation of any of the provisions of Chapter 1, Division III of the Business and Professions Code or willful violation of any rule or regulation of the board.

NOTE: Authority cited: Sections 5010 and 5018, Business and Professions Code.

Reference: Sections 481 and 5100, Business and Professions Code.